

Audit Report



CONTROLS OVER CASE-RELATED MATERIAL AT THE
ARMED FORCES INSTITUTE OF PATHOLOGY

Report No. 99-119

April 2, 1999

Office of the Inspector General
Department of Defense

Additional Copies

To obtain additional copies of this audit report, contact the Secondary Reports Distribution Unit of the Audit Followup and Technical Support Directorate at (703) 604-8937 (DSN 664-8937) or FAX (703) 604-8932 or visit the Inspector General, DoD, Home Page at: www.dodig.osd.mil.

Suggestions for Future Audits

To suggest ideas for or to request future audits, contact the Audit Followup and Technical Support Directorate at (703) 604-8940 (DSN 664-8940) or fax (703) 604-8932. Ideas and requests can also be mailed to:

OAIG-AUD (ATTN: AFTS Audit Suggestions)
Inspector General, Department of Defense
400 Army Navy Drive (Room 801)
Arlington, VA 22202-2884

Defense Hotline

To report fraud, waste, or abuse, contact the Defense Hotline by calling (800) 424-9098; by sending an electronic message to Hotline@dodig.osd.mil; or by writing to the Defense Hotline, The Pentagon, Washington, DC 20301-1900. The identity of each writer or caller is fully protected.

Acronyms

AFIP	Armed Forces Institute of Pathology
ASD(HA)	Assistant Secretary of Defense (Health Affairs)
CAP	Center for Advanced Pathology
CMAD	Case Materials Accountability Division
OAFME	Office of the Armed Forces Medical Examiner
PACAMS	Pathology Case Management System
PIMS	Pathology Information Management System



INSPECTOR GENERAL
DEPARTMENT OF DEFENSE
400 ARMY NAVY DRIVE
ARLINGTON, VIRGINIA 22202

April 2, 1999

MEMORANDUM FOR ASSISTANT SECRETARY OF DEFENSE (HEALTH
AFFAIRS)
AUDITOR GENERAL, DEPARTMENT OF THE ARMY
DIRECTOR, ARMED FORCES INSTITUTE OF
PATHOLOGY

SUBJECT: Audit Report on Controls Over Case-Related Material at the Armed Forces
Institute of Pathology (Report No. 99-119)

We are providing this report for review and comment. We conducted the audit at the request of the Acting Assistant Secretary of Defense (Health Affairs). We considered management comments on a draft of this report in preparing the final report.

DoD Directive 7650.3 requires that all unresolved issues be resolved promptly. Comments from the Department of the Army were partially responsive. As a result of Army comments, we redirected Recommendation B.2. to the Secretary of the Army, who is the executive agent for the Armed Forces Institute of Pathology. In addition, we request that the Director, Armed Forces Institute of Pathology provide additional comments on Recommendation A.2.c. We request that management provide comments by June 2, 1999.

We appreciate the courtesies extended to the audit staff. Questions on the audit should be directed to Mr. Harlan M. Geyer at (703) 604-9593 (DSN 664-9593), e-mail hgeyer@dodig.osd.mil or Mr. Richard A. Brown at (703) 604-9483 (DSN 664-9483), e-mail rbrown@dodig.osd.mil. See Appendix C for the report distribution. Audit team members are listed inside the back cover.

A handwritten signature in black ink, reading "Robert J. Lieberman", is positioned above the printed name.

Robert J. Lieberman
Assistant Inspector General
for Auditing

Office of the Inspector General, DoD

Report No. 99-119
(Project No. 8LA-5028)

April 2, 1999

Controls Over Case-Related Material at the Armed Forces Institute of Pathology

Executive Summary

Introduction. The Armed Forces Institute of Pathology (AFIP) is a joint entity subject to the authority, direction, and control of the Secretary of Defense. AFIP has a threefold mission: consultation, education, and research. It maintains a central laboratory of pathology for consultation and diagnosis of pathologic tissue for DoD, other Federal agencies, and civilian pathologists. It also serves as the chief reviewing authority on the diagnosis of pathologic tissue for the Army, the Navy, the Air Force, Public Health Service, and the Department of Veterans Affairs. It trains enlisted personnel in histopathology and related techniques and prepares teaching aids and loans pathologic, photographic, and other educational material to other Federal agencies and qualified individuals. It maintains a consulting and monitoring service to assist in the resolution of medicolegal cases for DoD and other Federal agencies and receives donations of items, materials, and medical artifacts that have an archival, historical, or scientific significance. It also contracts with the American Registry of Pathology for cooperative enterprises in medical consultation, education, and research between AFIP and the civilian medical profession. The FY 1998 appropriations for AFIP totaled about \$52 million.

On March 19, 1998, the Acting Assistant Secretary of Defense (Health Affairs) requested an external review to determine whether the AFIP Office of the Medical Examiner followed proper control procedures over case-related materials. The Office of the Inspector General, DoD, agreed to review policies, procedures, and other management controls.

Objective. The objective was to evaluate controls over case-related material at AFIP. Specifically, we evaluated the adequacy of policies and procedures for ensuring proper accountability, maintenance, storage, and use of case folders, pathologic materials, official records, X-rays, and other case-related material. We also evaluated the adequacy of the management control program as it applied to the objective.

Results. AFIP did not adequately control files, pathologic materials, official records, X-rays, and other case-related material. Of 1,375 randomly selected case folders, 539 could not be located. As a result, case-related materials could be improperly disclosed, lost, misplaced, or stolen (finding A).

The Assistant Secretary of Defense (Health Affairs) and the Army (as the DoD executive agent) provided little oversight of the administration and management of AFIP. Without the Assistant Secretary of Defense (Health Affairs) or executive agency oversight, there is no assurance that AFIP is operating economically or efficiently (finding B).

Summary of Recommendations. We recommend that the Director, AFIP direct the Center for Advanced Pathology perform a complete inventory of case materials and records retained in their departments; establish policy and procedures for a cyclical inventory; develop a standard departmental tracking system; update pathology branch codes; develop procedures for accessioning Medical Examiner's self-generated case materials and records; prescribe procedures for identifying and processing special handling items; and develop a repository index or tracking system. We also recommend that the Director, AFIP direct the Information Management Division delay transfer of the database information to the Pathology Information Management System until the verified inventories for each pathology branch code are entered into the current database; and develop an electronic mechanism for requesting retrievals, recording retrieved or returned case materials and records, and acknowledging receipts of case materials and records. Further, we recommend that the Assistant Secretary of Defense (Health Affairs) delegate authorities outlined in DoD Directive 5154.24 to the executive agent for the day-to-day operations of AFIP. Finally, we recommend that the Secretary of the Army actively perform the duties as the executive agent over AFIP and conduct oversight in accordance with existing laws and regulations.

Management Comments. A copy of the draft report was provided to the Assistant Secretary of Defense (Health Affairs); the Surgeon General of the Army; and the Director, Armed Forces Institute of Pathology on December 7, 1998. Comments were received from the Assistant Secretary of Defense on February 17, 1999, and from the Assistant Secretary of the Army (Manpower and Reserve Affairs) on March 8, 1999, incorporating comments from the Surgeon General and the Director, Armed Forces Institute of Pathology. The Assistant Secretary of Defense concurred with finding B and its two recommendations. The Army generally concurred with the report and indicated that some significant actions were in progress to correct the deficiencies found during the audit. The Army nonconcurred with four recommendations in finding A that relate to monthly reporting of inventories; delaying the transfer of database information from one system to another; entering into the system verified inventories for each pathology branch code before database transfer; and developing an electronic mechanism for acknowledging receipt of case materials and records. The Army expressed concerns of unduly burdensome reporting, no inherent advantage of using one system or the other for correcting data base information, and costly design changes with no recognizable benefits produced above those already available in the system. The Army requested that we redirect a recommendation from the Surgeon General of the Army to the Secretary of the Army. It stated that the Secretary of the Army is the executive agent for AFIP and that the Surgeon General provides management direction on behalf of the Secretary. A discussion of management comments is in the Findings section of the report and the complete text is in the Management Comments section.

Audit Response. We generally consider the Assistant Secretary of Defense and the Army comments on the recommendations to be responsive. We redirected the recommendation concerning performing executive agent duties as requested. Although the Army nonconcurred with four recommendations, the actions it is taking meet the intent of corrective actions sought. Army comments to develop an electronic mechanism for requesting retrievals, recording retrieved or returned case materials and records, and acknowledging receipt of those case materials and records are not fully responsive. Although, the Army indicated that the new management system would accomplish all the tasks but not use an electronic mail mechanism for notification, it did not provide the details of the system capabilities. Therefore, we request that the Director, Armed Forces Institute of Pathology provide additional comments in response to the final report by June 2, 1999.

Table of Contents

Executive Summary	i
Introduction	
Background	1
Objectives	2
Findings	
A. Accountability of Case Folders	4
B. Oversight of Armed Forces Institute of Pathology Administration and Management	17
Appendixes	
A. Audit Process	
Scope	23
Methodology	23
Management Control Program	24
Summary of Prior Coverage	25
B. Epidemiology, Repository, and Research Services	26
C. Report Distribution	28
Management Comments	
Assistant Secretary of Defense (Health Affairs) Comments	31
Department of the Army Comments	32

Background

Introduction. In a March 19, 1998, memorandum, the Acting Assistant Secretary of Defense (Health Affairs) requested that the Inspector General, DoD, perform a review of the Armed Forces Institute of Pathology (AFIP) Office of the Medical Examiner to determine whether proper control procedures over case-related materials were followed. The Office of the Inspector General, DoD, agreed to review policies, procedures, and other management controls of case-related materials.

Public Law 94-361. On July 14, 1976, Congress enacted Public Law 94-361, which amended Title 10, United States Code, chapter 7 by adding Section 176, “Armed Forces Institute of Pathology (AFIP),” and Section 177, “American Registry of Pathology.” Section 176 established AFIP as a joint entity of the Military Departments, subject to the authority; direction; and control of the Secretary of Defense. It authorizes AFIP to contract with the American Registry of Pathology for cooperative enterprises in medical consultation, education, and research between the AFIP and the civilian medical profession. Section 177 established the American Registry of Pathology as a non-profit corporation to provide support to AFIP. The American Registry of Pathology serves as a focus for the interchange between military and civilian pathology.

AFIP Organization. AFIP is a joint entity subject to the authority, direction, and control of the Secretary of Defense. The Secretary of Defense delegated the Assistant Secretary of Defense (Health Affairs) (ASD[HA]) the responsibility to exercise authority, direction, and control of AFIP and designated the Secretary of the Army as the executive agent responsible for administrative support of AFIP. AFIP consists of a Board of Governors, with the ASD(HA) serving as the chairman; a director; two deputy directors; an executive officer; a scientific advisory board; and a staff of professional, technical, administrative, and clerical personnel.

Mission and Functions of AFIP. AFIP has a threefold mission: consultation, education, and research. It maintains a central laboratory of pathology for consultation and diagnosis of pathologic tissue for DoD, other Federal agencies, and civilian pathologists. It also serves as the chief reviewing authority on the diagnosis of pathologic tissue for the Army, the Navy, the Air Force, Public Health Service, and the Department of Veterans Affairs. It provides instruction in advanced pathology and related subjects to dental, medical, and veterinary officers of the Military Departments and other qualified persons who are authorized to study or receive graduate instruction at AFIP. It trains qualified and approved enlisted personnel in histopathologic techniques and in relevant medical arts, medical photographic, and museum activities. It maintains a consultation and monitoring service to assist in the resolution of medicolegal cases for DoD and other Federal agencies and receives donations of items, materials, and medical artifacts that have an archival, historical, and scientific significance. AFIP also contracts with the American Registry of Pathology for cooperative enterprises in medical consultation, education, and research between AFIP and the civilian medical profession.

AFIP Budget and Personnel. The AFIP appropriated budget for FY 1998 was about \$52 million. Additionally, AFIP had a potential to receive \$8.1 million in reimbursables, American Registry of Pathology collections and registries, grants, and funding for the Air Force Cytocenter. AFIP consists of about 820 individuals, of which one-third are Department of the Army civilians; one-third are military officers and enlisted personnel; and one-third are American Registry of Pathology employees. The 820 personnel also include 23 positions, funded by the Department of Veterans Affairs at a cost of \$1.2 million.

Center for Advanced Pathology. The Director, AFIP, oversees and coordinates the general activities of the Center for Advanced Pathology (CAP), which oversees the consultation, education, and research activities of AFIP. The CAP consists of 22 separate and distinct departments and 5 centers, which include the Office of the Armed Forces Medical Examiner (OAFME) and the Epidemiology, Repository, and Research Services.

Office of the Armed Forces Medical Examiner. The OAFME is under the operational control of the Director, AFIP and subject to the authority, direction, and control of the ASD(HA). The Director, AFIP appoints the medical examiner with the concurrence of the Board of Governors. OAFME primarily is responsible for multidisciplinary forensic (medicolegal) investigations of unnatural or violent deaths caused by known or suspected accidents, homicide, suicide, or undetermined means. OAFME is also responsible for education and research in forensic pathology, toxicology, anthropology, and Deoxyribonucleic Acid identifications.

Epidemiology, Repository, and Research Services. The Epidemiology, Repository, and Research Services maintains the central file (Materials and Records Repository) of pathology materials and related records for reference, research, training, and follow-up programs. It serves as the principal adviser on AFIP research programs (see Appendix B).

Consultations of AFIP. In 1997, CAP performed diagnostic consultations on over 53,000 cases and reviewed 37,000 pap smears in the Air Force cytocenter. Of the cases diagnosed, 60 percent were from the Federal sector, including the Military Departments, and the Department of Veterans Affairs (the remaining 40 percent came from civilian pathologists on a fee basis.) OAFME accessioned 701 forensic pathology consultations submitted by the investigative agencies of the Military Departments as part of medicolegal investigations. OAFME also participated in 59 postmortem examinations that were accomplished in conjunction with on-site investigations that included aircraft and other accidents, homicides, natural deaths, and suicides.

Objectives

The objective was to evaluate controls over case-related material at AFIP. Specifically, we evaluated the adequacy of policies and procedures for ensuring proper accountability, maintenance, storage, and use of case folders, pathologic

materials, official records, X-rays, and other case-related material. We also evaluated the adequacy of the management control program as it applied to the objective. See Appendix A for a discussion of the scope and methodology and of our review of the management control program and for a summary of prior coverage.

A. Accountability of Case Folders

The AFIP did not adequately control files, pathologic materials, official records, X-rays, and other case-related material. Of 1,375 randomly selected case folders, 539 could not be located. Additionally, AFIP did not accession autopsy materials or accession autopsy materials in a timely manner, adequately control materials that are associated with special handling cases (case-related materials), and adequately develop an index system to track the location of case folders. Moreover, the Pathology Case Management System (PACAMS) locator system could not provide accurate information or accountability of case materials and records. The inadequacies occurred because AFIP did not have procedures or its existing procedures did not ensure proper accountability, maintenance, storage, and use of case-related materials. In addition, AFIP did not enforce existing policies and procedures. As a result, case-related materials could be improperly disclosed, lost, misplaced, or stolen.

Criteria

DoD Policy. DoD Directive 5015.2, “DoD Records Management Program,” updated April 11, 1997, establishes responsibility for the DoD Records Management Program and provides policy and responsibilities for life-cycle management (creation, maintenance and use, and disposition) of information as records in all media, including electronic. The policy requires DoD agencies to create, maintain, and preserve information as records, in any media that documents the transaction of business and mission in peacetime and wartime. DoD agencies are also required to manage records effectively and efficiently while protecting the financial and legal rights and interests of the Government and of persons affected by the Government’s activities. Further, DoD agencies are required to manage all records in any media used for creation or storage in accordance with approved record schedules.

Army Policy. Army Regulation 25-400-2, “The Modern Army Recordkeeping System (MARKS),” March 26, 1993, implements recordkeeping requirements prescribed by DoD Directive 5015.2 and combines all policy relative to the Army recordkeeping system. The Regulation provides for the proper management of information from its creation through final disposition according to Federal laws and Army recordkeeping requirements. It governs the maintenance and disposition of information that includes record retention and destruction requirements for medical examiner records, medical records, pathology records, X-rays, and any training or duplicate records thereof.

AFIP Policy. Two AFIP regulations establish the AFIP handling and recordkeeping requirements. AFIP Regulation 40-9, “Case Accessioning, Processing, and Storage,” January 19, 1996, establishes policies and procedures for handling and processing case documentation and pathologic material reviewed

at AFIP. AFIP Regulation 40-3, "AFIP Special Handling Cases," December 16, 1996, prescribes the policies and procedures for accessing, maintaining, processing, receiving, and safeguarding AFIP accessioned case materials and related records designated as special handling.

Materials and Records Control

The AFIP did not adequately control files, pathologic materials, official records, X-rays, and other case-related materials. To test the controls of AFIP, we had PACAMS randomly select, from the database, 25 accession numbers for each of the existing 63 pathology branch codes that had case folders checked out. If the pathology branch codes had less than 25 case folders checked out, all case folders were selected. Of the 63 pathology branch codes, 11 had been deactivated or merged with other pathology branch codes and 251 case folders were checked out to them.

Of the 1,375 randomly selected case folders, only 366 matched PACAMS locator information. We searched the Repository and the AFIP annex warehouse for the 1,009 case folders that did not match. Of the 1,009 unmatched case folders, 309 were in the Repository; 55 were being imaged; and at the AFIP annex warehouse, 106 were on microfiche. We could not determine the location of the remaining 539 case folders. We concluded that case-related materials and files were not adequately controlled because AFIP did not:

- have a policy or procedures for conducting a cyclical or systematic inventory of accessioned records or materials and did not have a requirement for the pathology departments to provide monthly reports of inventory, as a means to ensure that the PACAMS locator information was adjusted accordingly;
- require pathology departments to maintain an inventory of case materials and records and to have a standard departmental tracking system to ensure accountability of case materials and records retained in their departments;
- have procedures for updating or adjusting changes in pathology branch codes;
- have a mechanism to electronically record requests for retrieval and to acknowledge receipt of case materials and records by the pathology departments in a timely manner;
- have a mechanism to electronically record and acknowledge receipt of returned materials and records in a timely manner; and
- specify an individual or individuals to hold accountable for entering transfer actions in PACAMS to ensure that movements of case materials and records are adequately tracked.

Requirement for Monthly Inventory. AFIP did not have a policy or procedures for conducting a cyclical or systematic inventory of accessioned records or materials and did not have a requirement for pathology departments to provide monthly reports of inventory, as a means to ensure that the PACAMS locator information was adjusted accordingly. Since becoming the central pathology laboratory for DoD and other Federal agencies in 1976, AFIP had not inventoried or performed any quality assurance checks on accessioned case-related materials and records in the repositories and pathology departments. On December 11, 1997, the Director, AFIP directed the pathology departments to inventory case folders charged to and retained in their departments. The inventory identified approximately 94,000 case folders, of which only about 57,000 (61 percent) matched the PACAMS locator information. However, very little has been done since the December inventory to correct the database. Only 6 of the 26 existing pathology departments have initiated action to correct the database. Three pathology departments have maintained and updated their inventory listings by adding or crossing out those case materials and records that have been received or returned. The other three pathology departments have developed a simple software program to list case materials and records retained and returned by their departments.

On April 20, 1998, the Director, CAP directed the pathology departments to review the listings from the December 11, 1997, inventory and to make sure all case folders, whether remaining in the departments or located elsewhere, were appropriately acknowledged. Any case folders on the listings that were not under an approved educational or research project should have been returned to the repository for processing and filing. Although 9 of the 26 pathology departments responded and returned folders, we could not determine whether the case folders retained by the pathology departments were on an approved educational or research project because records were maintained by diagnosis codes rather than by accession numbers. Of the 1,375 randomly selected case folders we reviewed at the pathology departments, only 366 matched the PACAMS records. Unless AFIP establishes policy and procedures, conducts cyclical or systematic inventories, and requires pathology departments to provide the repositories a monthly inventory report of case-related materials and records retained in their departments, it cannot ensure accountability and proper control of files, pathologic materials, official records, X-rays, and other case-related materials.

Departmental Tracking System. AFIP did not require pathology departments to maintain an inventory of case materials and records and to have a standard departmental tracking system to ensure accountability of case materials and records retained in their departments. Each year AFIP receives approximately 50,000 cases for consultation, education, and research. As of September 1998, pathology departments had checked out and retained for education and research approximately 108,000 case folders, excluding related materials. That was an increase of about 14,000 case folders checked out over a period of 9 months. With such a large volume of records, it would be prudent to have a standard departmental tracking system for diagnostic consultations or active cases and to require departments to maintain an inventory of inactive case materials and records for education and research to ensure accountability.

The pathology departments used nonuniform tracking systems. CAP requires each pathology department to set up an internal departmental tracking system of the active cases and associated materials to ensure accountability. A diagnostic consultation or active case is converted to inactive status when the pathologist has given a final report or no-final report designation in the PACAMS. While AFIP had a process for controlling case status, it had no standard procedures for setting up the departmental tracking system by accession number. The pathology departments used case control cards, provided by the Receiving and Accessions Division, for tracking diagnoses that made it difficult to track diagnostic consultations by accession number. To track a particular case, the pathologist must know the diagnosis before looking for the accession number of the case folder. Accordingly, we could not use the accession number to verify the number of case folders the pathology departments retained against the PACAMS location information.

Updating Pathology Branch Codes. AFIP did not have procedures for updating or adjusting changes in pathology branch codes. Neither the Records Repository nor the pathology departments had adjusted the pathology branch codes that had been added, deactivated, or replaced to ensure accurate accountability of case folders and materials. For example, our inquiry of the PACAMS database identified 81 pathology branch codes, of which 29 codes had been deactivated or discontinued. Although no case folders or materials had been checked out to 18 of those pathology branch codes, the codes were not deleted from the PACAMS database to ensure the accuracy of the database information. Also, the PACAMS database was not adjusted to reflect deactivation and replacement of 11 pathology branch codes. For example, pathology branch 28 (oral pathology, [hard]) had been deactivated and replaced with pathology branch 27 (oral pathology). Pathology branches 36 and 37 (pathologic data and records repository) have been merged with pathology branch 35 (records repository).

In December 1997, pathology branch 29 (OAFME) inventoried 1,990 case folders, of which 157 matched the PACAMS locator information. Our review revealed that case folders for pathology branch 21 (forensics), pathology branch 23 (toxicology), and pathology branch 24 (Armed Forces Deoxyribonucleic Acid Identification Laboratory) were erroneously counted as belonging to pathology branch 29 (OAFME). Pathology branch 21 was deactivated previously and pathology branch 24 accounted for 665 case folders of the inventory count for OAFME. When the inventory was conducted, personnel at OAFME included pathology branches 23 and 24 with pathology branch 29, which resulted in generating the large error rate in locator information.

On September 21, 1998, the PACAMS locator information showed that approximately 4,200 case folders, excluding related materials, were still located in 17 pathology branches that had been deactivated. For example, pathology branch 39 (molecular genetics) was merged with pathology branch 4 (pediatrics) but 492 folders were charged out to pathology branch 39. Similarly, pathology branch 28 became pathology branch 27 but 423 folders were charged out to pathology branch 28. Also, pathology branch 21 was renamed pathology branch 29 but 284 folders were charged out to forensics. Unless pathology branch codes are adjusted to reflect the correct codes, AFIP cannot ensure proper accountability of materials and records checked out to departments.

Acknowledgement of Receipt of Cases. AFIP did not have a mechanism to electronically record requests for retrieval and to acknowledge receipt of case materials and records in a timely manner. In addition, AFIP did not enforce existing policies and procedures to ensure that the departments and repositories acknowledged receipt of material in a timely manner. Further, AFIP did not specify an individual or individuals to acknowledge receipt of cases. For example, to request case folders or materials, the requestor must fill out an AFIP Form 46, "Case Material Control System Request," March 1, 1978. Form 46 requires the requestor to fill in the accession number of case folders or materials requested. The request is sent through regular AFIP mail or hand carried to the repositories. After processing the request, the applicable repository sends the materials or records requested to the pathology department. The time between the delivery and the acknowledgement of receipt varied by hours or days. A department may have received materials or records but may not have acknowledged the receipt in PACAMS until several days later. In some cases, receipt of materials or records had not been acknowledged at all. If AFIP develops an electronic mechanism similar to an electronic mail system, pathology departments could electronically request retrievals and could electronically acknowledge receipt of those case materials and records. The electronic mail would serve as a record of materials delivered to the pathology departments.

As of October 1998, pathology departments had not corrected the December 11, 1997, inventory. Specifically, they had not acknowledged receipt of case folders from accessions or other departments or had not updated location information for records that showed no location or movement in PACAMS in the past year. For example, pathology branch 2 (soft tissue) still had 33 case folders charged out to other departments and 608 case folders that had no location or movement. Additionally, PACAMS records showed that 76 case folders for pathology branch 29 were in the Receiving and Accessions Division; 247 case folders had no location or movement; and 665 case folders were located in pathology branch 24 rather than pathology branch 29.

In September 1998, we tested the accuracy of the PACAMS locator information. We visited each pathology department and judgmentally selected case folders (6 case folders for 25 pathology branches, 8 for 2 pathology branches, 13 for 1 pathology branch, and 24 for another) retained in their departments and verified the location of the case folders in PACAMS. Of the 203 case folders reviewed, 170 matched the PACAMS locator information. Further, 33 case folders had not been acknowledged as being received by the pathology branch in PACAMS, resulting in incorrect locator information. Unless AFIP develops a mechanism to electronically record requests for retrievals and acknowledge receipt of case materials and records by the pathology departments, it could not ensure proper accountability of materials and records retained by pathology departments.

Recording Receipt of Returned Records. AFIP did not have a mechanism to electronically record and acknowledge receipt of returned materials and records in a timely manner. AFIP had procedures for requesting and charging out case folders; however, it did not have procedures prescribed for the return of records to the repository. Pathology branches were not required to fill out an AFIP form when returning case folders to the repository. The pathology branches were responsible for entering return information in PACAMS and the repository was

responsible for acknowledging the receipt of returned materials into PACAMS. However, the repository's acknowledgement of the return of records had not been timely. AFIP did not have procedures for returning case folders and did not have an electronic mechanism to record case folders returned and to electronically acknowledge receipt by the repository. If AFIP develops an electronic mechanism similar to an electronic mail system, pathology departments could electronically list the accession numbers of case materials and records being returned and repositories could electronically acknowledge receipt of those case materials. The electronic mail would serve as a record of materials returned by the pathology departments.

On April 20, 1998, as a result of the December 11, 1997, inventory, the Director, CAP directed the pathology departments to acknowledge case folders retained in their departments that matched or did not match the PACAMS locator information and to return case folders that were not under an approved educational or research project. On September 21, 1998, to determine action taken by the pathology departments, we requested an update of the status of corrections of the discrepancies identified in the December inventory. The PACAMS locator information showed that a number of case folders were returned. For example, pathology branch 13 had decreased the number of case folders it retained from 21,501 to 16,815; pathology branch 22 decreased from 3,454 case folders to 563 case folders; and pathology branch 40 decreased from 11,961 case folders to 8,622 case folders. However, we could verify neither the actual number of case folders returned nor the accession numbers of the case folders returned, because AFIP did not develop a database to track the return of case materials and records. In addition, the pathology branches had checked out other case folders. Further, AFIP did not have a requirement for tracking returns from the pathology departments and receipt of case materials and records by the repositories. Unless AFIP develops a mechanism to electronically record returns and acknowledge receipt of returned case materials and records, it cannot ensure proper accountability of materials and records.

Tracking Case Folders and Materials. AFIP did not specify an individual or individuals that would be held accountable for entering transfer actions in PACAMS and could not adequately track movements of case materials and records. As a result, PACAMS locator information was inaccurate, which resulted in a loss of accountability of case and associated materials. For example, PACAMS showed that case materials and records were still located in the departments or repositories although they had been received or returned from 2 to 365 days, without acknowledgment or being filed. Although each pathology department had a secretary responsible for entering or acknowledging receipt of case materials and records, when the secretary was on leave or out of the office, the requesting pathologist picked up case materials and records but did not acknowledge receipt. Similarly, when the pathology department returned the case folders to the repository, no one individual or group was held accountable for entering the transfer or acknowledging receipt of the case folders returned. Unless AFIP assigns an individual or a group of individuals the responsibility for entering transfer actions into the information management system, it cannot ensure accountability of case materials and records.

OAFME Case Materials and Records

OAFME Procedures for Case-Related Materials. AFIP did not accession or accession in a timely manner autopsy materials, documentary or pathologic, obtained by or submitted directly to OAFME. The OAFME did not have procedures in place for the handling of self-generated case-related materials. A draft standard operating procedures manual for the OAFME was under development throughout the audit. However, the draft manual provided to the audit team was merely a formalization of unwritten procedures in use at the OAFME with no evidence that those procedures were validated. Among the pathology branches, OAFME is unique in that it obtains additional materials and records through sources other than Receiving and Accessions Division. Specifically, OAFME routinely sends teams from its offices into the field to assist and conduct autopsies and postmortem investigations. In addition, investigative agencies, such as the Army Criminal Investigation Command and the Naval Criminal Investigative Service, routinely forward completed investigation reports, including autopsy reports, of deaths of service members directly to the OAFME, through the DoD criminal investigative personnel assigned to OAFME.

Accessioning Case Materials and Records. In 1997, OAFME accessioned 701 forensic pathology consultations submitted by the Service investigative agencies as part of a medicolegal investigation. OAFME participated in 59 postmortem examinations accomplished in conjunction with on-site investigations that included aircraft and other accidents, homicides, natural deaths, and suicides.

Collection of Case Materials and Records. When on-site, field teams assigned a unique medical examiner number to collected material and records that were hand carried or mailed back to OAFME. When the field teams returned to OAFME the departmental secretary obtained an AFIP accession number for each individual examined and received an empty folder with an accession number from the Receiving and Accessions Division. When the pathologist finished the final autopsy reports, case materials and records should have been given to the secretary to place the materials and records in the AFIP case folder, forward the case folder to the Repository, and make appropriate PACAMS entries. Our review revealed that accession numbers were not routinely obtained. There were delays in forwarding materials to the Repository after the cases were closed out, and there were inaccuracies in accounting for submitted materials.

Timely Accessioning of Materials. Delays in accessioning occurred because not all pathologists understood the accessioning process. Some pathologists believed that case materials must be submitted to the Receiving and Accessions Division to obtain accession numbers, not understanding that it could have assigned numbers while the material was in the possession of the pathologist. Additionally, some pathologists were reluctant to submit material because of time constraints they had to submit final autopsy reports, coupled with a false impression of how long it took to accession materials. Submitting final cases to the Repository had a lower priority than completing new cases, both self-generated and consultation. As a result, completed cases often remained in pathologists' offices or with the OAFME secretary until the work load was deemed light enough to take the time

to properly submit the case materials and records. In some instances, completed records remained in pathologists' offices for months. However, the secretary rarely retained case folders for more than 1 week. Therefore, autopsy materials, documentary or pathologic, on an autopsy performed or reviewed by the OAFME were not being accessioned in a timely manner.

Unless OAFME promulgates and enforces standard operating procedures and unless autopsy materials, documentary or pathologic, obtained by or submitted to OAFME are accessioned in a timely manner, OAFME cannot ensure accountability of materials and records.

Special Handling Cases

AFIP did not adequately control case-related materials for special handling cases, in part, because there were no controls and procedures for the initial identification and processing of special handling items. In addition, there were no procedures for the handling, safeguarding, or storing of special handling cases when they were not located in the Repository. Further, requirements for an annual inventory were not enforced. AFIP Regulation 40-3 sets forth policy for designating, granting access to, maintaining, processing, and safeguarding cases that are designated special handling. In FY 1998, AFIP had 266 cases designated as special handling.

Designation Requirement. AFIP was not adequately designating specific cases as special handling. AFIP Regulation 40-3 designates former and present Presidents and Vice Presidents of the United States, including their immediate family members, and heads of foreign government as special handling. Cabinet members; congressmen; general or flag officers; and AFIP staff members, while in office, on active duty, or employed, are also considered as special handling. Specific cases, such as those subject to extensive publicity or the subject of malpractice or legal review actions, require designation by the AFIP Director, deputy directors, legal counsel, CAP Director, or OAFME. However, there were no controls to ensure adequate identification of special handling cases. Our review identified several cases that met the criteria for special handling; but they were not designated as such. For example, a general officer involved in a plane crash while on active duty and the death of a Navy flag officer while on active duty were not identified or designated as special handling cases, but were treated as routine cases. As such, those cases were not maintained, processed, restricted, or safeguarded as required by AFIP Regulation 40-3.

Controls Over Checked Out Cases. There were no procedures for the handling, safeguarding, and storing of special handling cases when the actions did not take place in the Repository. One case that was designated as special handling and properly checked out to a pathologist was not maintained or safeguarded in a similar manner as prescribed in AFIP Regulation 40-3 for cases held in the Repository. Additionally, one case file that should have been designated as special handling was not and was in the possession of an individual who was not authorized access to special handling material. In addition, the individual was not

authorized to independently draw material from the Repository and had drawn the case folder by using a pathologist's name and number on the request. The pathologist whose name was used was unaware that the case was checked out in his name and in the possession of an unauthorized individual.

Enforcement of Inventory Requirement. Requirements for an annual inventory of special handling cases were not enforced. AFIP Regulation 40-3 states that an annual physical inventory of all material in the special handling file will be conducted in July of each year. This requires that all case materials be returned to the Repository, where they will be inventoried, and checked back out if still needed. The annual inventory of the special handling files for 1998 was conducted over a 6-month period, ending September 1998. Of the 266 special handling files, 3 were not available for inventory. This occurred because responsible individuals failed to return materials for the required inventory and no mechanism was in place to ensure that materials were returned.

AFIP needs to enforce existing policies and prescribe procedures for identifying and processing special handling items and handling, safeguarding, and storing of special handling case folders and associated materials signed out of the Repository. Otherwise, sensitive, high-level public interest items could be improperly disclosed, lost, misplaced, or stolen.

Repository Index System

AFIP did not have an adequate index system to track the location of case folders. In our search for the randomly selected 1,375 case folders, we noted that the Repository did not have an adequate filing system to ensure easy access to files. Case folders with accession numbers 1,500,000 through 2,100,000 were placed in numerical order, but the cabinets were not always arranged in sequential order. For example, case folders with accession numbers 1,900,000 through 1,999,999 were found in four different locations. In addition, we could not locate accession numbers 1,911,086 through 1,911,463. We located file cabinets for folders from 2,000,000 through 2,026,000 behind boxes and carts, which could not be accessed without clearing those obstacles. Another file cabinet located in the same area was not labeled; however, it contained folders in the 1,500,000 range and was clearly misplaced.

Case folders with accession numbers over 2,100,000 were located in three mechanized files. The mechanized files were indexed, but the indexes contained numerous handwritten corrections, white-outs, or write-overs. As a result, the indexes were difficult to understand and use. Another difficulty in locating records was caused by folders not being filed in sequential order. Also, some case folders were physically too large to be stored in the mechanized files and were stored throughout the Repository, in overhead bins and office furniture drawers within work cubicles. The bins and drawers were not always labeled, which made locating specific folders a time-consuming search. Additionally, the folders within the bins and drawers were not stored in numerical order. Moreover, no one person, index, or tracking system contained complete

information of where all the folders were stored within the Repository. Unless an adequate index or tracking system is developed, AFIP cannot ensure the location and accountability of case folders. Moreover, AFIP cannot ensure that the folders can be located in a timely manner, if located at all.

PACAMS Information

The PACAMS locator system could not provide accurate information or accountability of case materials and records when replaced by the Pathology Information Management System (PIMS). PACAMS was implemented in late 1970 to enable online users to determine the status and location of cases and to provide for tracking the movement of cases. In December 1998, AFIP will replace PACAMS with the PIMS, a state-of-the art system to streamline pathology case tracking and expand research capabilities. AFIP plans include transferring information from PACAMS to the PIMS. However, PACAMS has not kept permanent or historical information. It purges locator information if no action or movement has occurred in more than a year. It also purges historical data 3 months after active cases have been inactivated or given a final designation and returned to the Repository. Further, our search for case folders revealed that PACAMS locator information contained an inaccurate inventory of case materials and records retained by the pathology departments and returned to the Repository.

The AFIP Information Management Division had not developed mechanisms similar to electronic mail, to allow departments to electronically request retrievals, record deliveries of retrieved case materials and records, and acknowledge receipts and returns of those case materials and records. Further, AFIP had not developed a system program to ensure case materials and records checked out and returned were adequately tracked.

Unless AFIP enters verified inventories and corrects PACAMS locator information before it transfers the database to the PIMS and develops mechanisms to electronically track case materials and records, AFIP will remain unable to provide proper accountability of case materials and records. The new system will merely provide improved access to the inaccurate information of the earlier system.

Recommendations, Management Comments, and Audit Response

A.1. We recommend that the Director, Armed Forces Institute of Pathology direct the Center for Advanced Pathology to:

a. Perform a complete and thorough inventory of case materials and records retained by the departments;

-
- b. Determine the location of materials and records charged out to the department, but not found during the inventory, and adjust the locator information, as appropriate;**
 - c. Establish policy and procedure for cyclical or systematic inventory of accessioned case materials and records and establish procedures for the monthly reporting of inventory;**
 - d. Establish a standard departmental tracking system identifying case materials and records retained by pathology departments for diagnostic, educational, and research purposes by accession numbers;**
 - e. Update pathology branch codes database and ensure case materials and records are checked out to appropriate pathology branch codes;**
 - f. Develop procedures for electronically requesting retrievals and acknowledging receipt of retrieved case materials and records;**
 - g. Develop procedures for electronically recording returns by pathology departments and acknowledging receipt of those returned case materials and records by the Repositories;**
 - h. Specify an individual or individuals to be held accountable for entering transfer actions in the information management system and to adequately track movements of case materials and records;**
 - i. Develop procedures for timely accessioning of the medical examiner self-generated case materials and records to ensure accountability;**
 - j. Prescribe procedures for identifying and processing special handling items including handling, safeguarding, and storing of special handling case folders and associated materials retained by the pathology departments; and**
 - k. Develop a repository index or tracking system to facilitate locating case materials and records.**

Army Comments. The Assistant Secretary of the Army (Manpower and Reserve Affairs) concurred with all recommendations except Recommendation A.1.c. He concurred with the recommendations, stating that AFIP initiated additional follow-up on January 7, 1999, directing pathology departments to correct outstanding discrepancies from the December 1997 inventory and to perform another folder inventory based on the locations indicated in PACAMS. Also, each pathology department was to initiate a complete inventory of all retained paraffin blocks and slides. Those actions were to be accomplished within 60 days. In addition, AFIP will update its active pathology branch listing, initiate searches for material charged to inactive pathology branches, and update current locations of materials in the PACAMS data base. Materials not located will be added to the "Lost Case Log" and periodic searches performed until materials are located. Further, PACAMS already provides a mechanism to acknowledge retrieved case materials and PIMS will provide the same capability as well as an

automated method for requesting materials. PIMS will streamline the electronic recording of returns by pathology departments and acknowledgement of receipts through the use of bar code tracking. AFIP department personnel responsible for entering transfer actions will be briefed and their understanding documented as part of their performance standards and as part of their midpoint performance counseling. The OAFME will issue revised standard operating procedures and educate their personnel on proper accessioning procedures. In addition, the Case Materials Accountability Division (CMAD), when implemented, will assist the medical examiner's office in timely accessioning of self-generated case materials and records to ensure accountability. Procedures for identifying and processing special handling items including handling, safeguarding, and storing of special handling case folders and associated materials retained by the pathology departments were updated and published in AFIP Regulation 40-3, "AFIP Special Handling Cases." Also, all department chairpersons are being educated on those procedures to ensure that they have a clear understanding of the procedures. PACAMS provides an automated, computer based method for tracking case materials and records and PIMS will provide a similar method for tracking case materials and records.

With regards to Recommendation A.1.c., the Army nonconcurred, stating that while concurring with AFIP accomplishing cyclical and systemic inventories, it did not concur with monthly reporting of the inventory. The Army indicated that CMAD, when implemented, would perform regular inventories using standardized procedures and PACAMS or PIMS will be updated. Those inventories will consist of both random sample audits as well as complete inventories, as deemed necessary, based on the random sample audit results. Therefore, monthly reporting of inventories is not necessary and efforts should be expended to ensure accuracy of the information in the database.

Audit Response. We consider the comments from the Army as meeting the intent of the recommendations.

A.2. We recommend that the Director, Armed Forces Institute of Pathology direct the Information Management Division to:

a. Delay transfer of Pathology Case Management System information to the Pathology Information Management System until after an inventory of case materials and records retained by the pathology departments is performed.

b. Enter into the system verified inventories for each pathology branch code before Pathology Case Management System information is transferred to the Pathology Information Management System; and

c. Develop an electronic mechanism similar to an electronic mail system for use in requesting retrievals, recording retrieved or returned case materials and records, and acknowledging receipts of those case materials and records.

Army Comments. The Army nonconcurred with Recommendations A.2.a. and A.2.b., stating that although it would be possible for AFIP to complete an accurate

inventory of case materials and records before the implementation of the PIMS, it would be inadvisable to make one action contingent upon the completion of another. Whether corrected data resides in PACAMS or PIMS, there would be no advantage gained by delaying PIMS while PACAMS was being corrected. Further, PACAMS is not year 2000 compliant and, as directed, will be turned off by March 31, 1999.

Regarding Recommendation A.2.c., the Army nonconcurred, stating that upon implementation, PIMS will accomplish all the tasks listed in the recommendation but that an electronic mail mechanism would not be used for notification. The Army said that such a mechanism would be costly, complicated, and not produce any recognizable benefits above those already available through PIMS.

Audit Response. Although the Army nonconcurred, its comments meet the intent of Recommendations A.2.a. and A.2.b. Delays in implementing PIMS along with the actions being taken by AFIP in response to Recommendation A.1.a. will meet requirements for an accurate database.

Regarding Recommendation A.2.c., we agree that PIMS should be able to accomplish the task of the recommendation. However, we are unaware of the tracking and notification capabilities of PIMS. Therefore, we request that the Director, AFIP provide specific details on how PIMS will satisfy the intent of the recommendation in response to the final report.

B. Oversight of AFIP Administration and Management

The ASD(HA) and the Army (as the DoD executive agent) provided inadequate oversight of the administration and management of AFIP. Although DoD policy assigned broad administrative and professional oversight responsibilities to ASD(HA), ASD(HA) oversight concentrated on scientific issues rather than administrative functions. In addition, Army policy guidance regarding oversight of AFIP by the executive agent was not adhered to or enforced. As a result, without ASD(HA) or executive agency oversight, there is no assurance that AFIP is operating economically or efficiently.

Criteria

DoD Policy. DoD Directive 5154.24, “Armed Forces Institute of Pathology,” October 18, 1996, establishes policies and responsibilities for the administration and management of AFIP in accordance with Title 10, United States Code. It also prescribes the mission and functions of AFIP and designates the Secretary of the Army as the DoD executive agent for AFIP.

Joint Regulation. Army Regulation 40-31, Bureau of Medicine Instruction 6510.2F, and Air Force Regulation 160-55, “Armed Forces Institute of Pathology and Armed Forces Histopathology Centers,” June 4, 1993, implements DoD Directive 5154.24 and prescribes the organization, administration, and relationships of AFIP and its centralized services. It also outlines some of the administrative responsibilities of the executive agent.

Adequacy of Oversight

The ASD(HA) and the Army (as the DoD executive agent) provided inadequate oversight of the administration and management of AFIP. The oversight was inadequate because:

- the oversight methods used by ASD(HA) were inadequate for complete and effective oversight of daily operations of AFIP;
- ASD(HA) informally assumed some of the oversight duties normally conducted by the executive agent;
- the Board of Governors considered for review only those issues selected by the Director, AFIP;
- the Scientific Advisory Board reviewed only administrative issues as they related to research and scientific protocols;

-
- the executive agent conducted less oversight of AFIP as ASD(HA) assumed more of those duties; and
 - the Surgeon General of the Army had minimal routine interaction with AFIP and was not adequately fulfilling the executive agent duties over AFIP.

Assistant Secretary of Defense (Health Affairs). The oversight methods used by ASD(HA) were inadequate for complete and effective oversight of daily operations of AFIP. The Secretary of Defense delegated the authority to exercise authority, direction, and control of AFIP to ASD(HA). The ASD(HA) appoints the director of AFIP, approves appointments to the Scientific Advisory Board, approves staffing requirements for AFIP, and directs the activities of the Armed Forces Medical Examiner System. The ASD(HA) also serves as chairman of the Board of Governors. The Board of Governors is responsible for the policy direction of AFIP on all professional and related matters. Under the policy direction of the Board of Governors, the Director, AFIP is responsible for the organization and effective operation of AFIP, including the direction and supervision of its activities and staff.

Board of Governors. The Board of Governors considered for review only those issues selected by the Director, AFIP. Unless additional issues are presented, the Board of Governors addresses only those issues that the Director, AFIP deems sufficiently important. The AFIP Board of Governors did not adequately provide administrative oversight of AFIP functions. The Board of Governors is responsible for the oversight and decisionmaking regarding major issues for AFIP. The oversight includes administrative issues, proposed budget, and staffing requirements presented by the Director, AFIP for review by the Board of Governors. ASD(HA) chairs the Board of Governors, which also includes the surgeons general of the Military Departments, as well as other senior medical personnel. The Board of Governors meets quarterly, which precludes it from effectively managing and overseeing AFIP on a daily basis. The Director, AFIP generally establishes the agenda for the Board of Governors meetings. This precludes the Board from operating as an independent oversight entity over AFIP.

Scientific Advisory Board. The Scientific Advisory Board reviewed only administrative issues as they related to research and scientific protocols. The function of the AFIP Scientific Advisory Board precludes it from providing broad oversight of AFIP administrative and management functions. The Scientific Advisory Board comprises experts in the fields of pathology and medical research drawn from DoD sources, other Federal agencies, and civilian hospitals and universities. The Scientific Advisory Board advised the Director, AFIP on matters pertaining to the character, scope, and adequacy of educational and experimental, statistical, and morphological research programs undertaken by AFIP. Oversight that the Scientific Advisory Board provides helps to ensure the integrity of research and science at AFIP, which ensures the accreditation and reputation of the institution as a consultation, education, and research facility. However, the Scientific Advisory Board oversight did not fill the broader oversight functions. The peer review and guidance provided addressed only those administrative and management issues that affected the research and scientific programs.

Surgeon General of the Army. The Secretary of Defense designated the Secretary of the Army as the executive agent responsible for providing adequate administrative support (programming and budgeting, funding, fiscal control, manpower control and utilization, personnel administration, security administration, space, facilities, supplies, etc.) for the operation of AFIP. The Secretary of the Army redelegated his executive agent responsibilities to the Surgeon General of the Army. However, the Surgeon General of the Army had minimal routine interaction with AFIP and was not adequately fulfilling the executive agent duties over AFIP.

Personnel in the Office of the Surgeon General of the Army acknowledged that they had minimal routine interaction with AFIP. They stated that because ASD(HA) had taken a more active role in AFIP operations, the Surgeon General's office was often bypassed. Further, the Surgeon General's office had not made efforts to reinsert itself in the process, thus abrogating its responsibilities to ASD(HA). Personnel also stated that ASD(HA) was in the process of shifting those oversight responsibilities and authority back to them, and they were willing to assume the duties and role. The executive agent is to ensure that the Director, AFIP, subject to the authority, direction, and control of ASD(HA), has the authority, direction, and control of AFIP and reports to ASD(HA). Also, responsibilities of the executive agent would include oversight of the administration, budget, facilities, management, personnel, and other resources required to support the mission and functions of AFIP as outlined in the Joint Regulation.

Inspection Report

Inspector General, DoD, Inspection Report No. 94-INS-03, "Casualty Assistance and Mortuary Affairs," December 10, 1993, indicated that the ASD(HA), the Army (as the DoD executive agent), and AFIP internal oversight bodies provided inadequate oversight of the administration and management of AFIP.

Oversight of the AFIP and OAFME Operations. Report No. 94-INS-03 stated that ASD(HA) did not develop an oversight process to regularly review the Armed Forces Medical Examiner System for compliance with regulations and procedures. The objectives of the inspection covered a wider range of issues than our audit. However, within the scope of Report No. 94-INS-03, operations and oversight of the OAFME were reviewed. The report stated that the monitoring of OAFME program execution by the ASD(HA) was limited to a Board of Governors review. It also stated that oversight by the Board of Governors and the Scientific Advisory Board was limited in scope. The report stated that DoD provided limited oversight of AFIP and OAFME, and that administrative, managerial, and operational problems persisted because of the lack of oversight.

Inspection Report Recommendations. Two recommendations in Report No. 94-INS-03 were pertinent to this audit. The report recommended that ASD(HA) improve oversight of OAFME to ensure it is performing its role in

accordance with DoD intentions. It also recommended that ASD(HA) develop an oversight process to regularly review the Armed Forces Medical Examiner System for compliance with regulations and procedures.

Management Response to Recommendations. In response to the recommendations in the report, ASD(HA) concurred and stated that to provide better oversight of OAFME, it would require an annual brief by the medical examiner to the AFIP Board of Governors. The brief would contain indicator data to monitor the mission and supervisory tasks of OAFME. This would assist ASD(HA) in identifying problems and corrective action. Followup would be monitored at Board of Governors meetings. ASD(HA) also developed an oversight plan that designated the Scientific Advisory Board as the oversight body regarding compliance with procedures and regulations.

Conditions Found During Current Audit. The stated intentions of ASD(HA) in response to Report No. 94-INS-03 were not carried out. ASD(HA) provided a detailed list of reporting requirements for OAFME to use in providing indicator data to ASD(HA) as a means of monitoring OAFME. OAFME provided the data as written input that was incorporated into the AFIP annual report. However, all the items that ASD(HA) listed were not included in the annual report; and we believe that OAFME inputs did not constitute sufficient oversight of OAFME operations. The deputy medical examiner stated that some of the indicators requested by ASD(HA) were not valid and, therefore, the OAFME did not comment on those in its input. We were not in the position to determine the validity of the reporting requirements. However, when ASD(HA) imposed the reporting requirements, OAFME did not request that invalid indicators be amended or deleted. Rather, it merely neglected to report on those indicators without comment. Additionally, ASD(HA) and the Board of Governors neither compared inputs against the requirements to determine whether information was missing, nor did they demand strict compliance with the requirements.

Office of the Armed Forces Medical Examiner. OAFME considered the written input for the annual report as coverage for the ASD(HA) requirement for briefing the Board of Governors. However, the medical examiner did not meet with the Board of Governors to provide a brief on OAFME operations or to answer questions.

Scientific Advisory Board. The Scientific Advisory Board reviewed only administrative issues as they related to research and scientific protocols. The Scientific Advisory Board is an advisory body chartered to provide the Director, AFIP advice and recommendations on research and scientific issues. Although reports from the Scientific Advisory Board occasionally referred to administrative issues, those issues were not within its charter and were not the focus of its reports. The issues of case record and material accountability, maintenance, and transfer were not within the Scientific Advisory Board's area of concern and were not included in the reports we reviewed. Therefore, we believe that oversight of OAFME was not fully accomplished.

Oversight of AFIP

ASD(HA) Oversight. ASD(HA) oversight of the administration and management of AFIP was inadequate. Although DoD policy assigned broad administrative and professional oversight responsibilities to ASD(HA), the oversight in application concentrated on scientific issues rather than administrative functions. Except for telephonic and facsimile communications, ASD(HA) oversight of AFIP was limited to the review by the Board of Governors, of which ASD(HA) is the chair. The oversight by the executive agent was passive because of the active role ASD(HA) had taken in AFIP operations. Also, the monitoring by the Board of Governors and the Scientific Advisory Board was not sufficient to ensure that AFIP was operating economically and efficiently. For example, the purpose of the Board of Governors is to oversee consonance with the medico-military objectives of AFIP. However, the meeting agendas for the Board of Governors, established by the Director, AFIP, precluded the Board of Governors from operating as an independent oversight entity over AFIP. Further, the Scientific Advisory Board was established to advise the Director, AFIP on scientific and technical matters. As such, it was to monitor the Armed Forces Medical Examiner System and report to the Director, AFIP, who then reports to ASD(HA) through the Board of Governors. Although we did note some minor administrative issues covered in its reviews, we found no evidence that the Scientific Advisory Board was monitoring the overall administration and management of the OAFME operations other than the adequacy of laboratory or research processes or space.

Army Oversight. Army (as the DoD executive agent) oversight of the administration and management of AFIP was inadequate. Army policy guidance regarding oversight of AFIP by the executive agent was not adhered to or enforced. Sufficient guidance existed to provide for the proper administration, management, operation, and oversight of AFIP; however, that guidance had not been adhered to or enforced. Despite the intentions of ASD(HA) in its response to Report No. 94-INS-03, neither the Board of Governors nor the Scientific Advisory Board has the resources or the ability to perform routine oversight of the AFIP administration, management, and operations. The Office of the Surgeon General of the Army abrogated its executive agent duties when ASD(HA) took a more active role in the routine operations of AFIP. However, the mechanisms used by ASD(HA) were not sufficient to provide meaningful oversight of AFIP. ASD(HA) has stated its intention to return operational oversight of AFIP to the executive agent; and the surgeon general's office has stated its willingness to resume its role. We believe that the surgeon general's office fully understands its authority and responsibilities as the executive agent as well as its oversight responsibilities in order to ensure the economical and efficient management of AFIP.

Recommendations, Management Comments, and Audit Response

Redirected Recommendation. Because of management comments, we redirected draft Recommendation B.2. to the Secretary of the Army.

B.1. We recommend that the Assistant Secretary of Defense (Health Affairs) return operational oversight of the Armed Forces Institute of Pathology to the executive agent, as outlined in DoD Directive 5154.24.

B.2. We recommend that the Secretary of the Army actively perform the duties as the executive agent over the Armed Forces Institute of Pathology and conduct oversight in accordance with existing laws and regulations.

Assistant Secretary of Defense (Health Affairs) Comments. The Assistant Secretary concurred with the recommendations, stating that DoD Directive 5154.24 was changed on November 24, 1998, authorizing the redelegation of authorities to the executive agent.

Audit Response. Comments from the Assistant Secretary of Defense (Health Affairs) are responsive and meet the intent of the recommendations.

Army Comments. The Army concurred with Recommendation B.2., stating that the Assistant Surgeon General of the Army, Force Projection, has been appointed the responsible individual for AFIP oversight. In addition, the Army pointed out that the recommendation should be addressed to the Secretary of the Army and not the Surgeon General of the Army.

Management Comments on Management Control Program

Army Comments. The Army stated that checklists were not the only means to evaluate the adequacy of management controls. Management review processes were also used as well as several ongoing and periodic reviews processes.

Audit Response. We agree that ongoing and periodic review processes for accreditation, certification, and customer satisfaction surveys are conducted at AFIP. However, the reviews address research and scientific processes rather than administration and management of operations issues. As such, they do not provide reasonable assurance of the adequacy of management controls and the identification of assessable units and inherent risks thereof.

Appendix A. Audit Process

Scope

We reviewed the processes and analyzed corresponding DoD, Military Departments, and AFIP regulations and instructions dating from 1976 to 1998, used to establish, identify, and manage inventory of case materials and records. We reviewed AFIP policies and procedures, dating from 1994 to 1998, for ensuring adequate control of files, official records, pathologic materials, X-rays, and other case-related material. Additionally, we evaluated the oversight of AFIP administration and management.

DoD-Wide Corporate Level Goals. In response to the Government Performance and Results Act, DoD has established 6 DoD-wide corporate level performance objectives and 14 goals for meeting those objectives. This report pertains to achievement of the following objective and goal.

Objective: Ensure Joint Medical Readiness Capabilities.

Goal: Ensure doctrinally sound, operationally integrated, joint medical force capable of successfully meeting health service demands throughout continuum of military operations. (MHS-1.2)

Audit Type, Dates, and Standards. We performed this program audit from June through November 1998 in accordance with auditing standards issued by the Comptroller General of the United States, as implemented by the Inspector General, DoD. We included tests of management controls considered necessary.

Contacts During the Audit. We visited or contacted individuals and organizations within DoD. Further details are available upon request.

Methodology

We visited and interviewed responsible officials in the Office of the ASD(HA), the Office of the Surgeon General of the Army, and AFIP. We collected records and analyzed data pertaining to the AFIP December 11, 1997, inventory of case materials and records and followed up on actions taken in response to the inventory. We tested the accuracy of the AFIP PACAMS locator information from the beginning of AFIP to September 1998 and tested procedures for checking in and checking out case materials and records. We visited each pathology branch and judgmentally selected 203 case folders (6 case folders for 25 pathology branches, 8 for 2 pathology branches, 13 for 1 pathology branch, and 24 for another), retained in their departments and verified the location of the case folders in PACAMS to determine the accuracy of the PACAMS locator information. We also requested PACAMS to randomly select 25 accession

numbers from each pathology branch, for a total of 1,375 case folders, to serve as a sample for testing the accuracy of the PACAMS locator information. If the pathology branch had less than 25 case folders checked out, all case folders were selected. We then required each applicable pathology branch to make sure the case folders were located in their departments. For case folders not located, we determined whether the records were in storage in the repository or annex. In addition, we reviewed AFIP processes and procedures and analyzed controls over inventory, accountability, updating records, new codes, and movement of case related materials and records.

We reviewed oversight responsibilities of the ASD(HA), the Board of Governors, the Scientific Advisory Board, and the Office of the Surgeon General of the Army. We also followed up on Inspector General, DoD, Inspection Report No. 94-INS-03, "Casualty Assistance and Mortuary Affairs," December 10, 1993, to determine whether recommendations made to the ASD(HA) to improve oversight of the OAFME have been accomplished.

Use of Computer-Processed Data. We did not use computer-processed data or statistical techniques for this audit.

Management Control Program

DoD Directive 5010.38, "Management Control (MC) Program," August 26, 1996, requires DoD organizations to implement a comprehensive system of management controls that provides reasonable assurance that programs are operating as intended and to evaluate the adequacy of the controls.

Scope of Review of the Management Control Program. We reviewed the adequacy of the AFIP management controls over case-related materials and records. Specifically, we reviewed management controls over issuing, maintaining, storing, and using official records, files, X-rays, pathologic material, and other case-related material. We reviewed oversight of the administration and management of AFIP by the ASD(HA) and the Surgeon General of the Army. We also reviewed the results of any self-evaluation of those management controls.

Adequacy of Management Controls. We identified material management control weaknesses for AFIP as defined by DoD Directive 5010.38. AFIP controls over the case-related materials and official records were not adequate to ensure that case folders were maintained properly. Also, oversight of the administration and management of AFIP was not adequate to ensure economical and efficient operations. If management implements all recommendations, the management control weaknesses will be corrected, thereby, ensuring accountability and traceability of case-related materials and official records and oversight of the administration and management of AFIP by the ASD(HA) and the Surgeon General of the Army. A copy of the report will be provided to the senior official responsible for management controls within the Army.

Adequacy of Management's Self-Evaluation. AFIP officials did not identify case-related materials and official records as an assessable unit, and, therefore, did not identify the material management control weakness identified by the audit. The AFIP management control program consisted only of the Army's required Management Control Plan checklists. AFIP did not complete vulnerability or risk assessments because it was not required to by the Army; and it did not use the mandatory evaluations to build or modify its management control program. In addition, AFIP had certain organizations unique to AFIP for which applicable checklists could not be identified. Those organizations were:

- Center for Advanced Pathology,
- Office of the Armed Forces Medical Examiner, and
- Armed Forces Deoxyribonucleic Acid (DNA) Identification Laboratory.

The organizations that did not have applicable checklists submitted an annual assurance statement stating that the applicable management controls were in place. Checklists alone were not a proper management control program. Checklists should be used as a manager's tool in evaluating management controls and not as the only means of self-evaluation.

Summary of Prior Coverage

Inspector General, DoD, Inspection Report No. 94-INS-03, "Casualty Assistance and Mortuary Affairs," December 10, 1993.

Appendix B. Epidemiology, Repository, and Research Services

The Epidemiology, Repository, and Research Services collects, controls, maintains, and uses pathological material and related records to acquire and disseminate knowledge in the field of pathology. It maintains the central file (repository) of pathology materials and related records for reference, research, training, and follow-up programs and serves as the principal adviser on AFIP research programs. The collections include about 3 million case materials and records from 17 military medical treatment facilities closed as a result of the Defense Base Realignment and Closure process. The Epidemiology, Repository, and Research Services also oversees operations of the Divisions of Receiving and Accessions, Materials Repository, Records Repository, and Pathology Data.

Receiving and Accessions. The Receiving and Accessions Division accessions case pathologic materials and related records sent to AFIP for consultation, education, and research purposes. Case material is categorized as either a new case or a previously accessioned case. A new case is assigned an AFIP accession number and a previously accessioned case is assigned a sequence number. All case materials and records received are logged into the Pathology Case Management System (PACAMS). Receiving and Accessions sends cases requiring diagnostic consultation or an expert second opinion report directly to the specific or applicable pathology branch. Case folders and materials for education and research are sent to the Materials and Records Repository for permanent filing.

Materials Repository. The Materials Repository maintains, processes, and retrieves accessioned paraffin blocks, microscopic glass slides, and wet tissue specimens. The Materials Repository Division logs the accession numbers and sequence numbers on AFIP Form 297, "Case Material Control System Return," and acknowledges receipts via PACAMS. Blocks and tissue specimens that are not more than 3 years and microscopic glass slides that are under 10 years old are maintained at AFIP. Older cases are maintained at the AFIP annex. Retrieval of blocks, microscopic glass slides, and wet tissue specimens are requested either by submitting AFIP Form 46, "Case Material Control System Request" or verbally. If retrieval request is done verbally, the Materials Repository is responsible for preparing AFIP Form 46.

Records Repository. The Records Repository maintains, retrieves, and stores inactive files. It retrieves case folders upon request or submission of AFIP Form 46. Retrieval includes pulling a paper record from the file, making a hard copy from microfiche, or making a hard copy from an optical disk based system. It acknowledges receipts and returns via PACAMS.

Pathology Data. After a final consultation report has been rendered or a "no-final" report determination made, the case folder is forwarded to the Pathology Data Division. The Pathology Data Division reviews and identifies

administrative errors and omissions for correction by the pathology departments, updates PACAMS data, and forwards the inactivated case folder and material to the Materials and Records Repositories for permanent storage.

Accessioned Cases. The Epidemiology, Repository, and Research Services has accessioned approximately 2.6 million cases that include 35 million paraffin blocks, 50 million histological slides, and 10 million formalin-fixed tissue specimens. AFIP Regulation No. 40-1, "Retention and Disposition of Accessioned Case Materials," December 10, 1997, stipulates that all documentation received as part of the case files would be retained permanently. The AFIP regulation established the length of retention of all materials accessioned into the AFIP collection to unlimited rather than 25 years for documentary records, 10 years for microscopic slides, and 5 years for paraffin blocks as prescribed in DoD Directive 6010.16, replaced by DoD Directive 5154.24.

Pathologic case folders with accession numbers between 0 and 1,500,000 have been transferred to microfiche and stored at the AFIP annex warehouse. Case folders from 1,500,000 to 2,200,000 are in paper form and stored within the main AFIP facility. Case folders with accession numbers higher than 2,200,000 were being imaged or transferred to optical disk image format. Records that could not be imaged (such as kodachromes, photographs, and X-rays) are maintained throughout the repository area and accessible for retrieval purposes.

Appendix C. Report Distribution

Office of the Secretary of Defense

Under Secretary of Defense (Comptroller)
Deputy Chief Financial Officer
Deputy Comptroller (Program/Budget)
Under Secretary of Defense for Personnel and Readiness
Assistant Secretary of Defense (Health Affairs)
Assistant Secretary of Defense (Public Affairs)
Director, Defense Logistics Studies Information Exchange

Department of the Army

Secretary of the Army
Assistant Secretary of the Army (Financial Management and Comptroller)
Assistant Secretary of the Army (Manpower and Reserve Affairs)
Army Surgeon General
Auditor General, Department of the Army

Department of the Navy

Assistant Secretary of the Navy (Financial Management and Comptroller)
Auditor General, Department of the Navy

Department of the Air Force

Assistant Secretary of the Air Force (Financial Management and Comptroller)
Auditor General, Department of the Air Force

Other Defense Organizations

Director, Defense Contract Audit Agency
Director, Defense Logistics Agency
Director, National Security Agency
Inspector General, National Security Agency
Inspector General, Defense Intelligence Agency
Director, Armed Forces Institute of Pathology

Non-Defense Federal Organizations

Office of Management and Budget
General Accounting Office
National Security and International Affairs Division
Technical Information Center

Congressional Committees and Subcommittees, Chairman and Ranking Minority Member

Senate Committee on Appropriations
Senate Subcommittee on Defense, Committee on Appropriations
Senate Committee on Armed Services
Senate Committee on Governmental Affairs
House Committee on Appropriations
House Subcommittee on Defense, Committee on Appropriations
House Committee on Armed Services
House Committee on Government Reform
House Subcommittee on Government Management, Information, and Technology,
Committee on Government Reform
House Subcommittee on National Security, Veterans Affairs, and International
Relations, Committee on Government Reform

Assistant Secretary of Defense (Health Affairs) Comments



THE ASSISTANT SECRETARY OF DEFENSE
WASHINGTON, DC 20301-1200

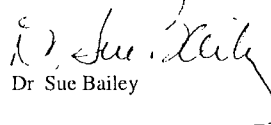
FEB 5 1999

MEMORANDUM FOR THE INSPECTOR GENERAL, DEPARTMENT OF DEFENSE

SUBJECT: Draft Audit Report on Controls Over Case-Related Material at the Armed Forces
Institute of Pathology (AFIP) (Project No 8LA-5028), 07 Dec 1998

I concur with the report in general and thank you for your efforts in reviewing the Institute. I refer you to the reply by LTG Ronald Blanck, Surgeon General of the Army, for comments related to finding A.

Concerning finding B regarding the administration and management of AFIP, I concur with the recommendation of B 1 and B 2. The DoD Directive 5154.24, has been changed, November 24, 1998, to authorize redelegation of authorities to the Executive Agent. That transition is in progress. However, I would like to reiterate that this office, the Board of Governors and the Scientific Advisory Board have provided significant oversight to the scientific aspects of the AFIP mission. In this regard, the Institute has a reputation for being one of the crown jewels in the federal laboratory system. In fact, concerning identification of remains, the AFIP is the most accredited facility in the world. We take great pride in the accomplishments of the Institute. In addition, with respect to remarks criticizing the Scientific Advisory Board for only reviewing administrative issues as they related to research and scientific protocols, it should be noted that this is the nature and purpose of a scientific advisory board. DoD Directive 5154.24, The Armed Force Institute of Pathology, states that the Scientific Advisory Board is to provide peer review and guidance for the AFIP Scientific Program.


Dr. Sue Bailey

Department of the Army Comments

Final Report
Reference



REPLY TO
ATTENTION OF

DEPARTMENT OF THE ARMY
OFFICE OF THE ASSISTANT SECRETARY
MANPOWER AND RESERVE AFFAIRS
111 ARMY PENTAGON
WASHINGTON DC 20310-0111

March 5, 1999

MEMORANDUM FOR THE INSPECTOR GENERAL, DEPARTMENT OF DEFENSE

SUBJECT Draft Audit Report on Controls Over Case-Related Material at the
Armed Forces Institute of Pathology (AFIP) (Project No 8LA-5028),
07 Dec 1998

Enclosed is the Army Medical Command response to the subject draft
report. I concur with the Surgeon General's response. The response reports
some significant actions in progress to correct the deficiencies found during the
audit. I shall monitor the continued implementation of corrective actions and their
effectiveness.

The final report should reflect the following correction to page 20 of the
draft report: The Secretary of the Army is the executive agent for the AFIP. The
Surgeon General provides management direction on behalf of the Secretary.

Patrick T. Henry
Assistant Secretary of the Army
(Manpower and Reserve Affairs)

Enclosure

Printed on Recycled Paper

Page 22
Redirected



REPLY TO
ATTENTION OF

DEPARTMENT OF THE ARMY
OFFICE OF THE SURGEON GENERAL
5109 LEESBURG PIKE
FALLS CHURCH, VA 22041-3258



DASG-ZXA

MEMORANDUM THRU ~~DIRECTOR OF THE ARMY STAFF~~ 11/2/99

~~ASSISTANT SECRETARY OF THE ARMY~~ for *Mr. Henry*

~~(MANPOWER AND RESERVE AFFAIRS)~~ *see separate memo from Mr. Henry 5 Mar 99*

FOR THE INSPECTOR GENERAL, DEPARTMENT OF DEFENSE

SUBJECT Draft Audit Report on Controls Over Case-Related Material at the
Armed Forces Institute of Pathology (Project No 8LA-5028), 07 Dec 1998

- 1 Attached is our Command response to the subject draft report on Controls Over Case-Related Material at the Armed Forces Institute of Pathology
- 2 We generally concur with the report. However, we non-concur with recommendations A1 C (Monthly Reporting of Inventory), A2 A (Delay Transfer of Information to Pathology Information System - PIMS), A2 B (Verification of Inventories Prior to Transferring Data to PIMS), and A2 C (Development of an Electronic Mechanism for Requests, Retrievals, Returns and Acknowledgement of Receipt of Case Files/Materials). Additionally, while we have concurred with the recommendations for finding B, we disagree with the IG's characterization of the Scientific Advisory Board found in this finding. Our detailed comments on the IG's findings and recommendations can be found in the enclosure.
- 3 The POC's for this memorandum are COL John Powers, DSN 761-3146, Commercial (703) 681-3146 or Carmine Mendicino, DSN 761-3248 Commercial (703) 681-3248

RONALD R. BLANCK
Lieutenant General
The Surgeon General

Encls

Response to "Draft of a Proposed Audit Report: Controls Over Case-Related Material at the Armed Forces Institute of Pathology" – Project No. 8LA-5028, December 7, 1998

Finding A. Accountability of Case Folders

Concur. The Institute agrees that changes to the existing handling of case-related materials must be made. The Institute will improve the level of compliance with established procedures for case handling and tracking by Institute employees and contractors through revision of performance standards, SOPs, and periodic reviews. Performance standards at all levels in the Institute will be amended to reflect specific requirements for appropriate case material handling by 1 May 1999. The Institute will update AFIP Regulation 40-9 to incorporate more specific case handling procedures, and a corresponding internal SOP for within each pathology branch will be developed; these actions will be completed by 1 July 1999. The Case Materials Accountability Division (CMAD) will develop a method of inventorying cases held at pathology branches so that each branch undergoes a periodic review once annually, and incorporate these procedures into AFIP Regulation 40-1. The Quality Assurance Committee will monitor this review as a routine function. This action will be in place by 1 August 1999.

Recommendations

A 1 a Concur. On 11 December 1997, a complete inventory of folders retained by the pathology departments was accomplished. As of 6 November 1998, all but 6% of the folders had been returned to file or accounted for appropriately. Additional follow-up was initiated on this date by the AFIP to resolve the remaining discrepancies. A draft letter providing direction to the pathology departments to correct any remaining outstanding case folder discrepancies was sent to the Director, CAP, on 7 January 1999 for approval. This draft letter also directs the pathology departments to perform another folder inventory based on the locations indicated in PACAMS and to initiate a complete inventory of all retained paraffin blocks and slides. These actions are to be completed 60 days from the date of signature. The Quality Assurance Coordinator for the Department of Epidemiology, Repository, and Research Services has also been appointed to research the 539 records identified by the DoD IG team as lost and update the locator information accordingly. In addition, the Institute is preparing a plan for implementation of a Case Materials Accountability Division (CMAD). The CMAD will be managed by the Department of Epidemiology, Repository, and Research Services and assist the pathology departments in the performance of 100% inventories of all pathology case materials and records when implemented. The plan for implementation of this division will be submitted to the Director, Center for Advanced Pathology by 1 March 1999.

A 1 b Concur. The draft letter discussed in A 1 a addresses this recommendation as part of the required departmental actions to be accomplished within sixty days of signature.

A 1 c. **Nonconcur** While the Institute concurs that cyclical and systemic inventories should be accomplished, we do not concur with monthly reporting of the inventory. Upon implementation of the CMAD, regular inventories will be initiated using standardized procedures and PACAMS, or PIMS if implemented, will be updated. These inventories will consist of both random sample audits, as well as complete inventories as deemed necessary based on the random sample audit results. A monthly reporting of inventory is not necessary and would be unduly burdensome. All efforts should be expended in ensuring the accuracy of the information in the central computer system.

A 1 d. **Concur.** The draft letter mentioned in A 1.a. addresses this recommendation. Departmental personnel will ensure accomplishment of these actions within 60 days of signature and will be assisted by CMAD personnel. CMAD personnel will also assist in maintaining these tracking systems after they have been fully established.

A 1.e. **Concur** The Department of Epidemiology, Repository, and Research Services will work in conjunction with the Information Management Division and the Center for Advanced Pathology Operations Office in obtaining an updated active Pathology Branch (PB) listing. Printouts will then be obtained of all inactive PBs still having material charged to them and searches for the material initiated. Upon locating the material, the PACAMS data base will be updated with the current location. This process will begin in February 1999 and continue until all material has been located. Material that cannot be located will be added to the "Lost Case Log" and periodic searches performed until the material is located.

A 1 f. **Concur** PACAMS already provides a mechanism to acknowledge retrieved case materials. PIMS will provide this capability as well as an automated method for requesting materials. Implementation of PIMS should take place within the next six months.

A 1 g. **Concur** PACAMS already provides this capability and PIMS will streamline this process through the use of bar code tracking. This feature of PIMS should be implemented within the next six to nine months. The AFIP has already initiated monthly random sample audits of materials acknowledged in the Repository. This process will continue ad infinitum.

A 1 h. **Concur.** Personnel within CMAD will assist pathology department personnel in ensuring that transfer actions are entered and tracked within the information management system. Additionally, all department personnel having responsibility for this function in their job descriptions will be briefed and their understanding documented as part of their performance standards and as part of their midpoint performance counseling.

A 1 i. **Concur.** Personnel within CMAD will assist personnel in the medical examiner's office in the timely accessioning of self-generated case materials and records to ensure accountability. Meanwhile, OAFME will educate their personnel on proper accessioning procedures and have all personnel indicate their understanding through signature of a

revised SOP detailing such procedures. This revised SOP will be completed and all signatures obtained by 1 March 1999

A.1.j. **Concur.** Procedures for identifying and processing special handling items including handling, safeguarding, and storing of special handling case folders and associated materials retained by the pathology departments were recently updated and published in AFIP Regulation 40-3, AFIP Special Handling Cases. An educational effort is currently underway to ensure all department chairpersons have a clear understanding of these procedures and that all cases currently in house that have not been appropriately identified as Special Handling are accounted for and safeguarded

A.1.k. **Concur.** PACAMS currently provides an automated, computer based method for tracking case materials and records. PIMS will also provide a similar method for tracking case materials and records. The Records Repository is in the process of transferring all case folders currently stored in filing cabinets to new storage containers and ensuring the appropriate chronological order is maintained. Approximately 25 percent of this project has been completed. Due to the large volume of cases involved, completion of the project will take several more months. The Repository is also in the process, in conjunction with the Information Management Division, of trying to obtain enhanced support for our document imaging system, which will alleviate the space problem. A new contract has been awarded and the contractor is in the process of hiring personnel

The CMAD is considered essential to all the above recommendations. The plan for implementation of the CMAD will be forwarded to the AFIP Executive Committee for consideration NLT 1 March 1999. The CMAD will (a) assist the pathology departments in the performance of 100% inventories of all slides, blocks, tissues, and the resolution of any folder discrepancies; (b) organize all pathology materials retained by the departments according to Institutional Review Board (IRB)-approved project codes (all material not under an approved IRB project number will be returned to the control of the central repository); (c) standardize procedures for the transfer and acknowledgement of materials to and from the repositories and between the pathology departments; (d) establish areas within the pathology departments where case materials can be stored for appropriate access as needed and where accountability is maintained by the central repository; (e) perform continuing review of the case tracking data base to ensure accountability is maintained including but not limited to random sample audits, follow-up of unacknowledged transfers, maintenance of inventories, monitoring of uncoded records, and resolution of all identified discrepancies; (f) provide assistance to the pathology departments in facilitating case flow to include but not limited to helping in the preparation of case material retrieval requests, returning blocks to contributors as required, acknowledging and transferring case materials as needed, and, locating material in response to retrieval requests

A 2 a Nonconcur Technically, it may be possible to complete an accurate inventory of all case materials and records held by pathology departments prior to scheduled implementation of PIMS. However, making one action (implementation of PIMS) contingent upon the completion of another (the inventory of case material and record holdings) is inadvisable practice from both a managerial and information systems perspective. Therefore, we cannot concur with this recommendation.

First, we agree that obtaining a correct inventory of all case materials and records is necessary. However, whether that corrected data resides in PACAMS or PIMS is irrelevant. Data can be just as easily modified in PIMS, and perhaps more so given that PIMS will also employ the use of bar codes to track folders and material. There is no inherent advantage in using PACAMS as the template for corrected entries, and no advantage is gained by delaying PIMS while PACAMS is corrected.

Second, and perhaps more critically, the Pathology Case Management System (PACAMS) is not Y2K compliant. AFIP is attempting to comply with directives from DoD Health Affairs and MEDCOM to turn off non-Y2K compliant systems by 31 March 99. Although AFIP does not project it will meet this date because of contractual problems with PIMS, we are exploring options to enable us to turn off PACAMS, PANLARS, and SNDO and convert the data to an intermediate Y2K-compliant application. This effort would likely be impossible if we first had to ensure PACAMS (or any intermediates) contained corrected inventory data.

A 2.b. Nonconcur. This is a restatement of Recommendation A 2 a in that an inventory, followed by data entry, must precede implementation of PIMS. For the above identified reasons, we cannot concur with this recommendation.

A 2 c Nonconcur Upon implementation, PIMS will accomplish all of the tasks listed in the recommendation, but will not use an electronic mail mechanism for notification. Incorporating such a recommendation would require a complete redesign of PIMS software at considerable expense; would impose an additional layer of data handling (by the e-mail recipients); would significantly complicate the administration of case tracking (through determining who would receive e-mail messages, how such messages are handled in the absence of a recipient, etc.); and would not produce any recognizable benefits above those already available through PIMS.

Finding B. Oversight of AFIP Administration and Management

AFIP concurs with Paragraph B, Oversight of AFIP Administration and Management. However, AFIP nonconcurs with the characterization of the Scientific Advisory Board (SAB) as a body that should be involved in broad oversight of AFIP administrative and management functions.

Nonconcur: The Report correctly describes the functions of the SAB. DoD Directive 5154.24, Armed Forces Institute of Pathology, October 28, 1996, states in Para. 3.2.5, "The SAB shall advise the Director of the AFIP and shall meet at least semiannually to

provide peer review and guidance for the AFIP Scientific Program” The SAB exists solely to guide the direction of the AFIP Science Program

Recommendations

B 1 Concur The ASD(HA) has approved the return of operational oversight of AFIP to the executive agent and has initiated the formal documentation. The Board of Governors, at the December 1998 meeting, directed the AFIP to begin functioning in this manner immediately.

B 2 Concur The Assistant Surgeon General of the Army, Force Projection, has been appointed the responsible individual for AFIP oversight and is, in fact, functioning now in this regard.

Appendix A Audit Process Management Control Program Adequacy of Management Controls We identified material management control weaknesses for AFIP as defined by DoD Directive 5010.38. AFIP controls over the case-related materials and official records were not adequate to ensure that case folders were maintained properly. Also, oversight of the administration and management of AFIP was not adequate to ensure economical and efficient operations. If management implements all recommendations, the management control weaknesses will be corrected, thereby, ensuring accountability and traceability of case-related materials and official records and oversight of the administration and management of AFIP by the ASD(HA) and the Surgeon General of the Army. A copy of the final report will be provided to the senior official responsible for management controls within the Army.

AFIP comment The AFIP requires all case-related materials and official records to be properly maintained. The AFIP will implement recommendations specific to management controls for case-related materials and official records.

Appendix A. Audit Process Management Control Program Adequacy of Management's Self-Evaluation AFIP officials did not identify case-related materials and official records as an assessable unit, and, therefore, did not identify the material management control weakness identified by the audit. The AFIP management control program consisted only of the Army's required Management Control Plan checklists. AFIP did not complete vulnerability or risk assessments because it was not required to by the Army, and it did not use the mandatory evaluations to build or modify its management control program. In addition, AFIP had certain organizations unique to AFIP for which applicable checklists could not be identified. Those organizations were Center for Advanced Pathology, Office of the Armed Forces Medical Examiner, and Armed Forces Deoxyribonucleic Acid (DNA) Identification Laboratory. The organizations that did not have applicable checklists submitted had an annual assurance statement stating that the applicable management controls were in place. Checklists alone were not a proper management control program. Checklists should be used as a manager's tool in evaluating management controls and not as the only means of self-evaluation.

AFIP comment Checklists were not the only means used to evaluate the adequacy of management controls. Existing management review processes were also used to evaluate the adequacy of management controls. The Center for Advanced Pathology used as their basis for reasonable assurance several ongoing and periodic review processes, such as:

- College of American Pathologists accreditation inspection
- Interim College of American Pathologists inspection
- Customer satisfaction survey
- Monthly departmental quality assurance reports where 10% of cases are peer reviewed
- Monthly Quality Assurance Committee meetings
- Quarterly Credentials Committee meetings
- Monthly Center for Advanced Pathology review of McPath report
- Monthly review of Center for Advanced Pathology 800 customer service telephone calls

Audit Team Members

The Readiness and Logistics Support Directorate, Office of the Assistant Inspector General for Auditing, DoD, produced this report.

Shelton R. Young
Raymond D. Kidd
Harlan M. Geyer
Richard A. Brown
Consolacion L. Loflin
John D. McAulay